



Poland Daily

HEADLINES...

POL: In May 2019 average monthly wage in enterprises' sector fell by 2.5% m/m and increased by 7.7% y/y to PLN5058. In Amy 2019 average employment in enterprises' sector fell by 0.2% m/m and rose by 2.7% y/y to 6.38 million persons.

USA: The FOMC lowered long-term forecast of fed funds rate to 2.5% from 2.8% previously. The tone of communique after the meeting was dovish. DB now expects the Fed to cut interest rates three times by 25 bps this year, starting at July's meeting.

THE DAY AHEAD...

POL: Industrial output (May), PPI (May)

DEU: PMI manufacturing (Jun)

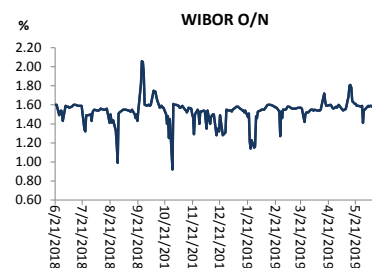
EMU: PMI manufacturing (Jun)

USA : PMI manufacturing (Jun)

TODAY'S FOCUS:

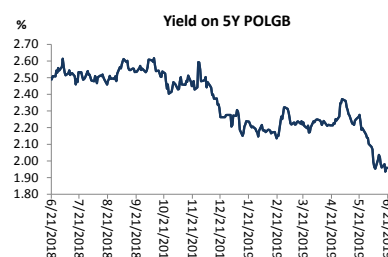
Today market participants will focus on domestic industrial output and PPI for May and on series of PMIs from Europe and the US for June.

Figure 1: WIBOR O/N



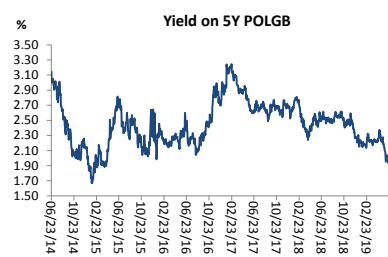
Source: Bloomberg

Figure 2: Yield on 5Y POLGB



Source: Bloomberg

Figure 3: Yield on 5Y POLGB – long term trend



Source: Bloomberg

DIARY (Today)

Country	GMT	Release	DB Expected	Actual	Consensus
DEU	7:30	PMI manufactruing (Jun)		45.4	44.6
EMU	8:00	PMI manufactruing (Jun)		47.8	48.0
POL	8:00	Industrial output (May)	0.7% (8.4%)	0.0% (7.7%)	-0.4% (7.5%)
POL	8:00	PPI (May)	0.3% (1.6%)	0.2% (1.4%)	0.3% (1.6%)
USA	13:45	PMI manufactruing (Jun)	50.5		50.5



Foreign Exchange

Today in the morning the zloty was 1.1% firmer versus the USD and was 0.2% firmer versus the EUR compared to the last NBP fixing. The zloty should be moving within a range of PLN4.2500-4.2700 per EUR today.

The USD sharply weakened across the board as dovish tone of the communique after the FOMC meeting reinforced expectations of rate cut by the Fed in July.

Fixed Income

The yields on Poland's government bonds were practically unchanged across the curve.

Interest Rates

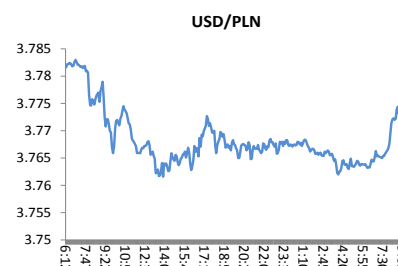
Today the O/N bid rate should be within a range of 1.20%-1.35%. Swap rates were unchanged in all tenors.

Equities

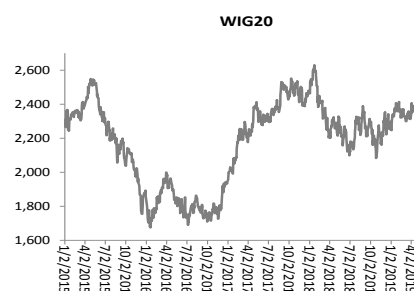
Yesterday the Dow Jones index rose by 0.94% and the S&P 500 index was 0.95% up. Today in the morning the FTSE 100 index was 0.26% up, the CAC 40 index was 0.31% up and the DAX index was 0.26% up. Today the Nikkei index decreased by 0.95%. Today in the morning the WIG20 index rose by 0.32% and the WIG index was 0.20% up.



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

Polish local market data 21 June 2019 (7:30 GMT)

Currency (mid)	Today	Last fixing	Change	USD/PLN			EUR/PLN		
				forwards	bid	offer	forwards	bid	offer
USD/PLN	3.7667	3.8104	-1.1%	SPOT	3.7661	3.7672	SPOT	4.2593	4.2601
EUR/PLN	4.2597	4.2673	-0.2%	S/N	3.7665	3.7676	S/N	4.2597	4.2605
GBP/PLN	4.7836	4.7888	-0.1%	1W	3.7665	3.7676	1W	4.2597	4.2605
CHF/PLN	3.8312	3.8157	0.4%	1M	3.7665	3.7676	1M	4.2597	4.2605
SEK/PLN	0.4009	0.3990	0.5%	2M	3.7665	3.7676	2M	4.2597	4.2605
NOK/PLN	0.4399	0.4359	0.9%	3M	3.7665	3.7676	3M	4.2597	4.2605
DKK/PLN	0.5706	0.5715	-0.2%	6M	3.7665	3.7676	6M	4.2597	4.2605
CAD/PLN	2.8569	2.8479	0.3%	12M	3.7665	3.7676	12M	4.2597	4.2605
CZK/PLN	0.1663	0.1665	-0.2%						
				WIBOR	Last fixing	1-day change	T-bills (mid)	Today's opening	1-day change
EUR/USD	1.1309	1.1199	1.0%	O/N	1.54 %	bp			
USD/JPY	107.46	108.45	-0.9%	1W	1.56 %	bp			
GBP/USD	1.2701	1.2568	1.1%	1M	1.64 %	bp	1M		
USD/CHF	0.9832	0.9986	-1.5%	3M	1.72 %	bp	3M	%	bp
EUR/JPY	121.52	121.45	0.1%	6M	1.79 %	bp	6M	%	bp
EUR/GBP	0.8904	0.8911	-0.1%	9M	1.81 %	bp	9M	%	bp
USD/CAD	1.3184	1.3380	-1.5%	12M	1.86 %	bp	12M	%	bp
FRAs (mid)	Last closing			IRS (mid)	Today's opening	1-day change	T-Bonds (mid)	Today's opening	1-day change
1X2	1.65	1X7	1.79	2Y	1.73 %	bp	2Y	1.55 %	1 bp
2X3	1.64	3X9	1.78	5Y	1.83 %	bp	5Y	1.96 %	0 bp
1X4	1.72	6X12	1.77	10Y	2.06 %	bp	10Y	2.35 %	-1 bp
3X6	1.71			5Y-2Y	10 bp	bp			
6X9	1.71			10Y-5Y	24 bp	bp			
9X12	1.67			10Y-2Y	33 bp	bp			



Appendix 1

Important Disclosures

Additional information available upon request

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